UGANDA REGISTRATION SERVICES BUREAU

THE TRADEMARKS ACT, CAP 225

IN THE MATTER OF TRADEMARK FOR REMOVAL OF TRADEMARK NO. UG/T/2012/046681 AND UG/T/2012/046682 IN CLASS 7 IN THE NAME OF ALITRACO INVESTMENTS LIMITED

AND

APPLICATION FOR CANCELLATION BY TOP MOTOR PARTS Co. LLC

TOP MOTOR PARTS Co. LLC ::APPLICANT

VERSUS

ALITRACO INVESTMENTS LIMITED::: RESPONDENT

Before: Birungi Denis: Assistant Registrar of Trademarks

<u>Ruling</u>

(a) <u>Background</u>

1. The Applicant is a company incorporated in the United Arab Emirates dealing in automotive parts under the Trademarks TMP. The TMP trademark is an abbreviation of its name Top Motor Parts (TMP). The Respondent on the other hand is a company incorporated in Uganda, engaged in the business of importing motor vehicle spare parts.
2. The Applicant seeks removal of trademark number 46681 (TMP device) and 46682 (TMP word mark) both registered in class 7 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, 1957, both marks registered in the name of the Respondent

covering machines and machine tools;motors and engines (except for land vehicles);machine coupling and transmission components (except for land vehicles);agricultural implements other than hand-operated;incubators for eggs;automatic vending machines. The Respondent registered both trademarks on 20 December 2012.

(b) The Applicant's case

3. The Applicant's case is that it is the owner of the two trademarks, which it uses on its manufactured goods (spare parts) originating from the United Arab Emirates. That the said marks were coined as a short form of the Applicant's name—Top Motor Parts Co. LLC. (TMP). The Applicant contends that the Respondent registered the two trademarks in bad faith and uses them on counterfeit goods, where it indicates the origin of the goods as "Toto Motor Parts Ltd". The Applicant avers that there is a connection between Toto Motor Parts Ltd and the Respondent since the directors and shareholders of both companies are the same and that the actions of the Respondent are intentional and made in bad faith, with the aim of causing confusion with the Applicant's goods and riding on its reputation.
4. The Applicant states that it is the registered owner of the trademarks in classes 4, 7, 9 and 17 in the UAE and has used both marks extensively in the UAE, China, Tanzania and Uganda to such an extent that the consumers now identify and associate the goods and services bearing the said marks, to the Applicant. As a result, the Applicant has acquired both common law and statutory rights in other jurisdictions.
5. It is against that background that the Applicant accuses the Respondent of registering the disputed marks in bad faith. The Applicant also contends that the Registrar registered the two marks in error. In addition to the two grounds, the Applicant seeks removal of the two trademarks on grounds of non-use pursuant to the provisions of section 46 (1) (b) of the Trademarks Act on the basis that since

the goods of the Respondent are labelled as originating from Toto Motor Parts Ltd, there are no known goods in the names of the Respondent.

6. When the Applicant sought to register the two disputed trademarks in class 7, it found the Respondent had already registered the same and hence was unable to proceed with registration to acquire trademark rights over the same.

(c) The Respondent's case.

7. Counsel for the Respondent challenged the competence of the application, arguing that it is time barred and that it is *res judicata*, owing to the findings of the High Court in Misc. Application No.243 of 2020. According to the Respondent, the Registrar cannot entertain the application since the matter was conclusively determined in the cited application by the High Court. Counsel has submitted two rulings from the High Court Commerical Division to support his objection. These are ***Misc. Cause No.59 of 2019: Top Motor Parts LLC. V Alitraco Investments Ltd*** and ***Uganda Registration Services Bureau and Miscellaneous Application No.0243*** of 2020 arising from ***Misc. Cause No.0059 of 2019: Alitraco Investments Ltd v Top Motor Parts LLC***. In addition to this, Counsel submits that the Applicant's application is time barred since seven years have elapsed from the time of registration of the two trademarks.

8. Regarding the merits of the application, the Respondent denies the claim by the Applicant and contends that both its trademarks were legally and legitimately filed, examined and approved by the Registrar, and that as such, it is not true that the trademarks were registered in error or in bad faith. The Respondent further avers that the ground of non-use is unsustainable since the Applicant's own evidence alludes to the Respondent's use of the marks. The Respondent denies selling counterfeits. In response to the claim of non-use, the Respondent maintains that it has been using the disputed marks from the date of their registration.

(d) Determination of preliminary issues

9. The matter came up for mention and scheduling on 17 November 2025. Mr. Asiimwe Paul of Sipi Law Associates appeared for the Applicant while Mr. David Balese Solomon of Aju Balese Advocates appeared for the Respondent.

10. Mr. Balese raised two objections. First, he submitted that the application is *res judicate* because the same was determined by Misc. Cause No.59 of 2019 and Misc. Application Number 243 of 2020. Second, he submitted that the application is barred by statute. Two preliminary issues were framed for determination as follows;

    (i) Whether the High Court decision in Miscellaneous Cause No.59 of 209 and Misc. Application No.243 of 2020 are a bar to the Registrar's jurisdiction to entertain the application.

    (ii) Whether the application is time barred.

Issue (i): Whether the High Court decision in Miscellaneous Cause No.59 of 209 and Misc. Application No.243 of 2020 are a bar to the Registrar's jurisdiction to entertain the application.

11. To determine the first preliminary objection, I have carefully examined the rulings of the High Court in the two applications, which I discuss in detail; in Misc. Cause 59 of 2019, the Applicant brought an application for removal of trademarks UG/T/2012/046681 and UG/T/2012/046682. The Applicant also sought orders for the Respondent (the Applicant in this matter) to disclose the origin of the products bearing the trademarks. Upon filing a reply, the Respondent filed Misc. Application No. 243 of 2020 seeking security for costs to be incurred in ***Misc. Cause No.59 of 2019*** on account that the Applicant is a resident abroad. In determining whether to grant the application for security for costs, the learned Judge analyzed principles guiding award of orders for security for costs as laid out in numerous

cases. One of those principles is the claimant's prospect of success. See **Anthony Namboro and Fabiano Waburo-Lio Vs Henry Kaala (1975) HCB 315.**

12. The learned Judge, while applying the above principles, discussed the main cause and stated as follows;

> ***"I have had the opportunity to study the pleadings of both parties in the main application and in the present application. Without going into the merits of the case, I have noticed that the Applicant herein applied for trademarks in issue on 11th December 2012 and the applications were in respect of goods under class 7. The nature of goods indicated for the Applicant's trademark in class 7 are machines and machine tools, motors and engines (except for land vehicles), machine coupling and transmission components (except for land vehicles), agricultural implements other than hand operated, incubators for eggs, automatic bending , machines…Further, the Applicant herein was required to indicate under part (d) of the application its trading style wherein the word "IMPORTER" was written and it had the trademarks published in the gazette of 25th January 2013. It is therefore not true that the Applicant applied for the Trademarks in issue as importers rather than actual proprietors of the same as alleged by the Respondent".***

13. The Judge went on; ***"It is therefore not true that the Applicant applied for the trademarks in issue on the ground that they were importers rather than actual proprietors of the same as alleged by the Respondent"***

14. At page 5 on the last two paragraphs, the learned Judge noted:

> ***"Clearly, besides having registered its trademark logo for goods in class 7 in the UAE in 2005, the product description for the Respondent's items is different from that of the Applicant's products mentioned above…To this Court and from the pleadings on record, the Applicant herein appears to***

have legally and correctly applied for and registered its trademarks in respect of goods in class 7 in respect of different goods from those of the Respondent. No evidence was presented from the Registry of Trademarks to dispute the Registration of [the] Applicant's trademarks in Uganda. The Respondent only registered its trademark logo in the United Arab Emirates (UAE) in respect of different goods in 2005 and not in Uganda. The issue of similarity of the Trademarks in issue is also contentious as the Applicant claims there is no similarity that would cause confusion amongst the public. These contentions can only be determined during the hearing when the trademarks in issue are adduced in evidence and comparisons are physically made by the parties"

15. Concluding on the issue, the learned Judge stated;

"It is the considered view of this Court that the Applicant has a legal right to the use of the trademarks in issue; and the Respondent does not have the reasonable prospects of success in the main application."

16. After determining the probability of success of the main application and finding that the prospects of success do not exist, the learned Judge went ahead and granted an order for security for costs of Ugx 15,000,000/- to be deposited in Court.
17. The above ruling was issued on 5th February 2021. On 23rd June 2026, the Court determined Misc. Cause No.59 of 2019 and disposed it on a technicality. At the hearing of Misc. Cause No.59 of 2019, the Respondent's Counsel raised a preliminary objection to the effect that the Applicant's affidavit was defective because it was sworn in Dubai and yet commissioned in Kampala. Court upheld the objection and struck out the affidavit. This led to the collapse of the whole application.

18. The question therefore is whether the ruling of court in both applications, conclusively addressed all the matters in this application so that the Registrar is barred from entertaining a matter already determined by Court. I am inclined to answer the question in the negative. This is because conclusive determination of a case happens when a matter is determined on its merits. When that happens, usually, a decree is extracted and endorsed by Court as the conclusion of the dispute setting out the findings and orders of Court. The Civil Procedure Act defines a "decree" as the formal expression of an adjudication that "conclusively determines the rights of the parties." A decree is considered final when the adjudication completely disposes of the suit.
19. I do not agree with the submission of Mr. Balese to the effect that the court in the above two applications resolved the dispute to bar the Registrar from entertaining this application. Under Order 21 of the Civil Procedure Rules, a civil suit is generally deemed concluded when the court has finally determined the rights of the parties in a judgement and nothing substantive remains pending before the trial court except enforcement or execution of the decree. After pronouncement of a judgement, the parties or the court extracts a decree, which is endorsed by the Court as a final resolution of the dispute. In this case, Counsel for the Respondent has not submitted evidence of a decree of court containing orders and findings on the merits of the case before Court.
20. I agree with Mr. Asiimwe and the authority he relied on of **Three Ways Shipping Services (Group) Ltd v MTN (U) Ltd (Miscellaneous Application No. 103 of 2015)** where the Learned Judge held that a subsequent suit is not barred where the earlier matter was disposed of on a preliminary or procedural ground rather than on the merits. The principle of *res judicate*, also relied on by Counsel for the Respondent to support his preliminary objection, is not applicable. The principle is laid out in section 7 of the Civil Procedure Act and states as follows;

"No court shall try any suit or issue in which the matter directly and substantially in issue has been directly and substantially in issue in a former suit between the same parties, or between parties under whom they or any of them claim, litigating under the same title, in a court competent to try the subsequent suit or the suit in which the issue has been subsequently raised, and has been heard and finally decided by that court."

21. Section 7 of the Civil Procedure Act is applicable when the essential elements of the doctrine of *res judicata* have been satisfied. In ***Hon.Maj.Gen.(Rtd) Kahinda Otafiire v The New Vision Printing and Publishing Corporation and 2 Others (Civil Suit No. 505 of 2019,***the elements essential for the applicability of the doctrine of *res judicate* are;

    (a) There was a former suit between the same parties or their privies;

    (b) The matter was heard and finally determined by the court on its merits;

    (c) The matter was heard and determined by a court of competent jurisdiction; and

    (d) The fresh suit concerns the same subject as the previous suit.

22. In the previous suit before the High Court, the matter was removal of the disputed trademarks on grounds of rights based on the country of origin under section 45 of the Trademarks Act. The application was not determined on its merits but was dismissed on technicality and the present forum is not a Court of equivalent jurisdiction with the High Court where the previous application was filed. Therefore, there was no finality of the substantive issues in the suit before Court. In the present case, the Applicant seeks removal on grounds of error and bad faith under section 88. The cause of action and the issues arising from a section 88 application are substantially different from those arising in an application based on section 45. Procedurally, the forum for a section 45 application is the High Court. In application brought under section 88, jurisdiction is concurrent—by the Registrar and High Court.

23. I also note that the parties are different. In the previous suit, Misc. Cause No. 59 of 2019, the parties were Top Motor Parts LLC v Alitraco Investments Ltd and Uganda Registration Services Bureau, yet in the present application, Uganda Registration Services Bureau is not added as a Respondent but is involved as a quasi-judicial body to determine the dispute. Therefore, this suit is not the same as the previous suit and the principle of *res judicata* does not apply.
24. In light of the above authorities and in absence of evidence of a judgement/ruling or decree of court that conclusively addressed the merits of the present application; I find no merit in the preliminary objection and accordingly overrule it.
25. The second preliminary objection raised by Mr. Balese is that this application is time barred. Mr. Balese submits on the authority of section 45 of the Trademarks Act, contending that an application relating to removal of a trademark must be brought within seven years from the date of registration, and that 13 years have since past in respect of both trademarks. This objection is also without merit because the section cited by Mr. Balese is not the provision under which the instant application is brought. To the contrary, section 45 provides for removal of trademarks based on rights in the country of origin and the forum for applications brought under that section is the High Court. It states:

> ***"Subject to subsection (3), <u>the court may</u>, on application in writing within seven years from the registration in Uganda of a trademark relating to goods by a person aggrieved by the registration, remove that trademark from the register if it is proved to the satisfaction of the court that the trademark is identical with or nearly resembles a trademark which was, prior to the registration in Uganda of the trademark, registered in respect of…"***

26. This application is not before the Court and neither is it brought under section 45. Therefore, the limitation stipulated under that section is not applicable in the circumstances. The second objection is also overruled.

27. **Determination of the merits.**

I have carefully examined the application. It raises three key grounds, namely, bad faith, registration in error and removal of a trademark on grounds of non-use under section 46(1). During scheduling of this matter, the ground of cancellation for non-use was dropped and only three issues were framed on the merits;

(i) Whether trademark number 46681 and 46682 were registered in error

(ii) Whether trademark number 46681 and 46682 were registered in bad faith

(iii) What are the remedies available to the parties?

Issue 1: ***Whether trademark number 46681 and 46682 were registered in error***

28. Cancellation of trademarks on the ground of error is governed by section 88 of the Trademarks Act which provides that;

> *"A person aggrieved by an omission, entry, error, defect or an entry wrongly remaining on the register, may apply in the prescribed manner to the court and subject to section 64, to the registrar, and the court or the registrar may make an order for making, expunging or varying the entry as the court or the registrar, as the case may be, may think fit."*

29. First, to raise any of the grounds stated in section 88, the Applicant must prove that it is an aggrieved person. In the case of **Ritz Hotel Ltd v Charles of the Ritz Ltd (1988 15 NSWLR 158**, Court defined an aggrieved person to mean any person having a real interest in having the register rectified or the trademark removed. The Applicant states that it is a registered owner of the disputed trademarks in the UAE and China and that when it applied to have them registered in Uganda in respect of motor vehicle spare parts, it was unable to do so because the Respondent

had already registered the same. The Applicant's intention to register in Uganda in class 7 can be deemed to qualify as commercial interest to use a trademark. To this end, the Applicant is an aggrieved person within the meaning of section 88. This now takes me to the question as to whether the disputed trademarks were registered in error. The Cambridge and Merriam Webmaster dictionaries defined the word "error" as;

"a mistake especially in a way that can be discovered as wrong" or "an act or condition of ignorant or imprudent deviation from a code of behavior", "an act involving an unintentional deviation from truth or accuracy", "a mistake in the proceedings of a court of record in matters of law or fact", and "instance of false belief".

30. Therefore, registration of a trademark in error means that a mistake was made at any of the stages of the registration process and that because of that mistake, a trademark, which ought not to have been registered, ended up being registered. Consequently, an applicant must prove that one or more reasons (based on the law) exist that should have prevented the registration of the trademark. In this case, Mr. Asiimwe submitted that the Applicant owns the two trademarks having first registered them in UAE. His argument is premised on two sections: First, section 7 of the Trademarks Act, which provides that, a person who claims to be "an owner" of a trademark can apply for registration. Mr. Asiimwe argues that the Respondent is not an owner of the disputed trademarks because it indicated that it is an "importer" on the application form at the time of filing. Mr. Asiimwe also relies on section 23 for the submission that registration as an importer contrary to section 7, is contrary to law within the meaning of section 23. The ground of error is therefore hinged on the fact that the Respondent applied for trademarks as importer and not as the manufacturer of products. In my view, this, in and of itself, is not sufficient to prove error. Error should be apparent in missing the

critical steps of registration or contravening the principles of trademark examination leading to registration of a trademark that ought not to have been registered in the first place.

31. There is a distinction to be made between an error invalidating a trademark and an error requiring rectification under section 90 of the Trademarks Act. For an error leading to invalidation of a trademark, the Applicant has to prove the existence of a defect in the registration process, such as failure to properly apply any of the relative or substantive grounds of trademark examination, leading to approval of a trademark that ought not to have been approved in the first place or an error that contravenes provisions of the Trademarks Act. The error alleged should not be an error that does not affect the validity of the trademark such as formality errors for example misspelling of a name or misstating the manner in which the Applicant is filing. Such errors, as and when they arise, can be rectified through amendment (before) registration and if they arise after registration, through rectification under section 90 of the Trademarks Act.

32. Error that can lead to cancellation under section 88 include errors such as registration of a trademark which is similar to an existing one contrary to section 25 of the Trademarks Act, or a mark that is not distinctive pursuant to section 9 or registration of a trademark while there is a pending opposition contrary to section 16. These errors go to the validity of the trademark and hence can lead to invalidation of a registered trademark.

33. For the avoidance of doubt, because of the principle of territoriality which is stipulated under Article 6 of the Paris Convention on the Protection of Industrial Property and section 36 (3) of the Trademarks Act, rights acquired by registration of a trademark in another country do not extend to Uganda and vice versa. Accordingly, the initial registration of a trademark in the UAE by the Applicant

does not extend the Applicant's trademark rights to Uganda and hence cannot be the basis for cancellation of the Respondent's trademarks. This does not mean the law does not take into account the interest of foreign registered trademarks. It does under strict parameters and indeed the Trademarks Act provides pathways to protect owners of foreign registered trademarks.

34. These pathways are contained in section 44 where an owner of a foreign registered mark may oppose registration of the same mark if they intend to register the same in Uganda and under section 45, where an owner of a foreign mark can file an application to the High Court seeking removal of a locally registered mark to pave way to register its own. Both sections provide stringent requirements, including a requirement that the country of origin provides reciprocal treatment to trademarks originating from Uganda. The Applicant, aware of those pathways, filed Misc. Cause 59 of 2019 under section 45 and the same was dismissed on technicality.

35. The other grounds that can be relied on by an owner of a foreign registered trademark to protect its interests in a foreign registered trademark is that of bad faith or fraudulent registration. Both must be specifically pleaded and proved. These two grounds, if successfully proved would lead to the removal of an already registered trademark to pave way for a foreign registered trademark to be registered in Uganda. This position is consistent with international frameworks governing registration of trademarks. For example, Article 6 of the Paris Convention on the protection of Industrial Property provides as follows;

"Article 6

[Marks: Conditions of Registration; Independence of Protection of Same Mark in Different Countries]

(1) The conditions for the filing and registration of trademarks shall be determined in each country of the Union by its domestic legislation.

(2) However, an application for the registration of a mark filed by a national of a country of the Union in any country of the Union may not be refused, nor may a registration be invalidated, on the ground that filing, registration, or renewal, has not been effected in the country of origin.

(3) A mark duly registered in a country of the Union shall be regarded as independent of marks registered in the other countries of the Union, including the country of origin."

36. The first principle under Article 6 (1) is to the effect that conditions for filing and registration are determined by domestic legislation of each country of the Union. In the case of Uganda, the applicable legislation is the Trademarks Act Cap 225, which provide for conditions of registration, including pathways through which a foreign registered mark may challenge a similar local mark applied for or already registered. The second principle is the territoriality principle embedded under Article 6 (3) of the Paris Convention to the effect that a trademark registered in a country of the Union is regarded as independent of other trademarks registered in other countries. In other words, despite the similarity of the Respondent's trademarks registered in Uganda to the Applicant's trademarks registered in the UAE, the two are regarded as independent of one another.

37. I take note of the authority of **Kampala Stocks Supemarket v Seven Days International Ltd Civil Suit No 112 Of 2015** relied on by Mr Asiimwe to support the argument that a mere importer is not an "owner" within the meaning of section 7 of the Trademarks Act. I do not agree with this submission, as the dictum of the Judge is applied out of context. The proper context leads to the contrary position. In that case, as correctly quoted by Mr. Asiimwe, the Justice Christopher Madram (as he then was) stated as follows at page 24 of the ruling;

> *"I will further answer the question of who is an owner making an application for registration as written under section 7 (1) of the Trademarks Act 2010? The word "owner" under the section <u>means someone who has property rights to the</u>*

trademark such as ownership conferred by registration of the Applicant. The second category is a person who seeks to be registered as an owner of a trademark, the subject matter of the application. The distinction between the two categories of Applicants is important for purposes of establishing which provision of law to consider so as conferring entitlement to registration. If the person claims to be the owner, either the Mark is associated with him or her or he or she is already registered in respect of the Mark in another country. However if the Applicant just intends to own the Mark, he or she is making a fresh application for registration as an owner"

38. First, the learned Judge construes the word "owner" in section 7 to have two meanings falling into two categories; the first category is ownership acquired by registration of a trademark. The second category relates to a person seeking to be registered as the owner of the mark. He broke the second meaning into two subcategories: the first sub-category is a person who is associated with the mark and the second subcategory is for a person who is registered in the country of origin. With regard to the second sub-category, which was the case in that suit and is the case as regards the Applicant's claim in the instant application, the Learned Judge explained that such would arise if the person were making an application for registration. It is true that the Applicant sought to register the two marks in class 7 and found the two disputed marks as obstacles and hence falls in sub-category two. However, considering the principle of priority (first in time), the Applicant was unable to register in class 7. The question is how does such a person secure registration as an owner of the trademark if a situation arises as it did in this case, that the same mark is already registered by another person who is, ordinarily protected by law as the first to file?. The answer lies in what I have already explained that the pathways for a foreign mark are under section 44 and 45, as well as challenging the existing mark on grounds of bad faith. With the

exception of bad faith, the Kampala Stocks decision discusses the same pathways, balancing the territorial principles vis-à-vis the rights of foreign registered marks and taking into account the rights of priority.

39. Indeed the Learned Judge in Kampala Stocks (supra) clearly analyzed the complexity of the manner in which the law balances the various competing interest when it comes to trademarks registered locally and similar ones registered in the country of origin. To augment his position, at page 27 of the ruling, the judge noted;

> ***"I have already referred to provisions of the Trademark Act 2010 on registration. The Ugandan domestic law does not expressly forbid the registration of a trademark on the ground that it could be registered elsewhere. The law accords a right to register by an owner registered in the country of origin. Ordinarily to consider the owners right, the owner has to either apply for such registration or apply to deregister a person who has registered a similar trademark i.e. under section 45 of the Trademarks Act 2010"***

40. Accordingly, I am unable to see how indicating the nature of trade on the application form as "importer" constitutes an error on the register. For the avoidance of doubt, it is common knowledge that traders can order goods to be manufactured abroad and branded with their locally registered trademarks. The same goods are then imported and sold in Uganda. So mere indication on the application as importer does not suffice. I therefore find that trademark number 46681 and 46682 were not registered in error.

Issue 2: Whether trademark number 46681 and 46682 were registered in bad faith

41. This office has determined in numerous decisions that bad faith, if proved, constitutes a ground for cancellation of a trademark. Bad faith in the context of

trademark registration, was explained in the case of **Sky Kick UK Ltd v Sky Ltd [2024] UKSC 36**, as follows;

> *"While, in accordance with its usual meaning in everyday language, the concept of bad faith presupposes the presence of a dishonest state of mind or intention, the concept must also be understood in the context of trade mark law, which involves the use of marks in the course of trade. Further, it must have regard to the objectives of the EU law of trade marks, namely the establishment and functioning of the internal market, and a system of undistorted competition in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trademarks signs which enable consumers, without any possibility of confusion, to distinguish those goods or services from those which have a different origin…"*

42. The Court went ahead to highlight circumstances giving rise to bad faith;

> ***"… the objection will be made out where the proprietor made the application for registration, not with the aim of engaging fairly in competition but either (a) with the intention of undermining, in a manner inconsistent with honest practices, the interests of third parties; or (b) with the intention of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark, and in particular the essential function of indicating origin…"***

43. Hence, for the Applicant to succeed on the ground of bad faith, it must prove to the required standard that the Respondent registered the two trademarks, with the intention of undermining its interest in a manner inconsistent with honest practices. Since bad faith is a state of mind, the Applicant should have submitted circumstantial evidence where such dishonest intention can be inferred. In ***Niinsima Moreen v Trust Sate Ltd opposition-to-trademark-No-082777-***

IMITRUST where the office found that bad faith had been proved, the Applicant had sold the business along with the product name to the Opponent and then turned around and filed for the product name to prevent the Opponent from registering it. The Office rightly determined that such conduct was dishonest hence constituting bad faith.

44. Other circumstances that can be relied on to infer bad faith may include situations where a distributor who previously dealt with the owner, registers the trademark with an intention of preventing the owner from acquiring rights over it, or where an employee, aware of the interest of the employer in the trademark, seeks to register the trademark and prevent the employer from acquiring rights over it. Other circumstances may suffice, but there has to be something connecting the Applicant and the Respondent. It is true that a person may see branded goods on the market and decide to copy the brand and register the same as his or hers. The questions is how will the Registrar know that the person did not come about the trademark out of their own creativity? Save for situations where such compelling evidence is adduced to impute bad faith, merely registering a trademark similar to that of another alone does not prove bad faith. This principle was explained in **Chocoladefabriken Lindt & Sprüngli Ag V Franz Hauswirth Gmbh CASE-529/07** where the EC noted, at para 40 of the judgment;

> ***"the fact that the applicant knows or must know that a third party has long been using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought is not sufficient, in itself, to permit the conclusion that the applicant was acting in bad faith"***

45. The Applicant's evidence contained in a statutory declaration sworn my Mr. Mohammadi Abdul Shakoor, does not prove bad faith against the Respondent. For example in paragraph 13—17, the deponent narrates how the Applicant

purchased goods from the Respondent's shop in Kisenyi, Kampala, which bore the Applicant's TMP trademarks with packaging indicating TO TO Motor Parts Co. as the manufacturer. That this was intended to mislead the public to confuse the words "Top Motor Parts" with TO TO Motor Parts. That upon conducting a search on the company register, the Applicant confirmed that the shareholders and directors of the Respondent are the same as those of To To Motor Parts Co. In para 22, Mr Muhammadi states " *I am duly informed that the trademarks registered by the Respondent have not been in use as prescribed by the Trademarks Act and therefore are liable for cancellation on grounds on non-use". In para 23, he states, "I am further informed by our lawyers that due to the illegal acts of copying our trademark and product packaging, the Respondent's actions amount to passing off an abuse of process".*

Yet at paragraph 22, Mr Muhammadi contradicts himself when he states that the trademarks registered by the Respondent have not been used and as such should be removed on grounds of non-use. On one hand, the he accuses the Respondent of registering and using the two marks in bad faith, yet on the other hand, he alleges that the trademarks are not being used. While I suspect paragraph 22 could have been included to support removal of the disputed trademarks on grounds of non-use under section 46, I note such a claim cannot be joined under an application for cancellation brought under section 88. It has to be filed as a separate application where each of the elements of that section has to be proved. (*See Ruling-V G Keshwala and Sons v Crane Paper Ltd application for cancellation of Trademark No 83036 DIAMOND*).

46. As stated in **Sky Kick UK Ltd v Sky Ltd**, bad faith is assessed as at the date of filing the trademark application. Subsequent events, including registration, non-use, or mode of packaging are relevant only insofar as they support the inference of the Applicant's bad faith intention at the time of filing. The evidence of registering another company with the name "To To Motor Parts Ltd" and

indicating the same on the product packaging may be suspicious but it is not clear whether this was the intention of the Respondent at the time of filing the above trademarks.

47. Bad faith being a state of mind, it must be specifically pleaded and proved. A person may counterfeit after registration of a trademark and add other deceptive elements such as using similar packaging and a name closely resembling that of another, which is likely to cause confusion but it is not enough to determine that there was bad intent at the time of filing. Thankfully, the law provides other avenues to deal with such deceptive behavior. As rightly stated in Mohammadi's evidence, such conduct may be deemed passing off if the Applicant can purse an action for passing off before the right forum and prove all elements of passing off to the required standard. Therefore, the use of similar packaging itself is not sufficient to prove bad faith. The ground of bad faith fails. The Applicant is not entitled to any remedies.
48. The application fails and is dismissed.
49. Each party shall bear its own costs.

I so Order.

Given under my hand, this **19th day** of **June** 2026

URSB
UGANDA REGISTRATION SERVICES BUREAU
Birungi Denis
REGISTRAR

Digitally signed by Birungi Denis
Location: Uganda Registration Services Bureau
Date: 2026.06.19 17:36:05 +03'00'

Birungi Denis
Ass. Registrar of Trademarks